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UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL ADJUSTMENT ADMINISTRATION  
EAST CENTRAL DIVISION

1940 AGRICULTURAL CONSERVATION PROGRAM—  
NORTH CAROLINA

CONTENTS

|   | Page |
|---|------|
| SECTION I. Allotments and yields for State, counties, and farms.....          | 2    |
| II. Commodities—Payments and deductions.....                                  | 2    |
| A. Total soil-depleting crops.....  | 2    |
| B. Wheat.....   | 2    |
| C. Tobacco.....   | 3    |
| D. Cotton.....  | 3    |
| E. Commercial potatoes.....   | 3    |
| F. Peanuts.....   | 4    |
| G. Commercial vegetables.....   | 4    |
| III. Soil-building goals, payments, and practices.....                        | 5    |
| IV. Division of payments and deductions.....                                  | 8    |
| V. General provisions relating to payments and deductions.....                | 9    |
| VI. Materials furnished by A. A. A. to carry out soil-building practices..... | 12   |
| VII. Application for payment.....   | 13   |
| VIII. Appeals.....  | 14   |
| IX. Definitions.....  | 14   |

AUTHORITY AND APPLICABILITY

The 1940 Agricultural Conservation Program Bulletin (ACP-1940, referred to herein as the national bulletin) issued by the Secretary of Agriculture on September 6, 1939, and amendments thereto, contain the provisions of the 1940 program for the United States. This bulletin (ECR-401—N. C.) restates in a simplified form and in more general terms the provisions of the national bulletin which are applicable in the State of North Carolina, and also contains certain of the determinations authorized by the national bulletin which is controlling.

The provisions of the 1940 program are necessarily subject to any legislation which Congress may enact. Payments and grants of aid will be limited by the amount of Congressional appropriation, the apportionment of the appropriation under the provisions of the Soil Conservation and Domestic Allotment Act, as amended, and the extent of national participation in the program. As an adjustment for the extent of participation in the program, the rates of payment and deduction may be increased or decreased by as much as 10 percent.

The 1940 program, as outlined herein, is applicable to all land in the State of North Carolina, except (1) public domain of the United States, including land owned by the United States and administered

by the Forest Service of the United States Department of Agriculture, and (2) other lands of which the beneficial ownership is in the United States.

## SECTION I. ALLOTMENTS AND YIELDS FOR STATE, COUNTIES AND FARMS

**A. State allotments.**—State acreage allotments for wheat, tobacco, cotton, potatoes, peanuts, and commercial vegetables (hereinafter referred to as "special crops") and for total soil-depleting crops will be established by the Secretary.

**B. County allotments.**—In general, the respective State allotments will be apportioned among the counties, taking into consideration the acreage normally devoted to these crops, abnormal conditions, and trends.

**C. Farm allotment.**—The county committee, with the assistance of other local committees, will determine farm allotments in accordance with instructions issued by the A. A. A.

**D. Farm normal yields.**—The county committee, with the assistance of other local committees, will determine for each farm, in accordance with applicable instructions, a normal yield per acre for each special crop (except for commercial vegetables) for which an allotment is established or a deduction is computed. The weighted average yield for each such crop for all farms in a county shall not exceed the normal yield established for such crop for the county.

## SEC. II. COMMODITIES—PAYMENTS AND DEDUCTIONS

### A. TOTAL SOIL-DEPLETING CROPS

**1. National goal.**—The 1940 national goal for soil-depleting crops is 270,000,000 to 285,000,000 acres.

**2. Farm allotments.**—A total soil-depleting allotment will be established for each farm which has a special-crop allotment (other than a commercial-vegetable allotment).

**3. Deduction.**—If for any farm the acreage classified as soil-depleting exceeds the total soil-depleting allotment, a deduction will be made at the rate of \$5.00 for each acre classified as soil-depleting in excess of the larger of (a) the total soil-depleting allotment plus the acreage of the special crops for which deductions are computed, or (b) the acreage planted to cotton and the harvested acreage of tobacco plus 20 acres.

### B. WHEAT

**1. National goal.**—The 1940 national goal for wheat is 60,000,000 to 65,000,000 acres.

#### 2. Payment.—

(a) On a wheat-allotment farm the payment is 9 cents per bushel of the normal yield of wheat for the farm for each acre in the wheat allotment.

(b) On a non-wheat-allotment farm the payment will be included in the payment computed for cropland to be earned in connection with soil-building practices.

**3. Deduction.**—A deduction of 50 cents per bushel of the normal yield of wheat for the farm will be made—

(a) On a wheat-allotment farm for each acre planted to wheat in excess of the wheat allotment.

(b) **On a non-wheat-allotment farm** for each acre of wheat harvested for grain or for any other purpose after reaching maturity, in excess of the larger of (1) the usual acreage of wheat or (2) 10 acres.

4. **Non-wheat allotment farm** means a farm for which (a) no wheat allotment is determined or (b) a wheat allotment is determined and the persons having an interest in the wheat on the farm elected prior to October 1, 1939, to have such farm considered as non-wheat-allotment farm in 1940.

5. **Acreage planted to wheat** means (a) any acreage of land seeded to wheat (except when such crop is seeded in a mixture containing less than 50 percent by weight of wheat or containing 25 percent or more by weight of rye, barley, vetch, or Austrian winter peas, and the seeding mixture may reasonably be expected to produce a crop containing such proportions of plants other than wheat that the crop cannot be harvested as wheat for grain or seed); and (b) any acreage of land seeded to such mixture containing wheat designated under (a) above but on which the crops other than wheat fail to reach maturity and the wheat is harvested for grain or seed or reaches maturity.

### C. TOBACCO

1. **National goal.**—The 1940 national goal for—

(a) Flue-cured tobacco is 730,000 to 770,000 acres, and

(b) Burley tobacco is 360,000 to 370,000 acres.

2. **Payments.**—The payment per pound of the normal yield of tobacco for the farm for each acre in the tobacco allotment is—

(a) 1 cent for flue-cured, and

(b) 1 cent for Burley.

3. **Deductions.**—A deduction will be made at the rate of 8 cents per pound of the normal yield of tobacco for the farm for each acre harvested in excess of the applicable tobacco allotment.

### D. COTTON

1. **National goal.**—The 1940 national goal for cotton is 27,000,000 to 29,000,000 acres.

2. **Payment.**—The payment is 1.6 cents per pound of the normal yield of cotton for the farm for each acre in the cotton allotment.

3. **Deduction.**—A deduction of 4 cents per pound of the normal yield of cotton for the farm will be made for each acre planted to cotton in excess of the cotton allotment.

4. **Acreage planted to cotton** means the acreage of land seeded to cotton, the staple of which is normally less than 1½ inches in length, which reaches the stage of growth at which bolls are first formed.

### E. COMMERCIAL POTATOES

The commercial-potato counties are: Beaufort, Camden, Carteret, Craven, Currituck, Duplin, Edgecombe, Martin, Pamlico, Pasquotank, Pitt, Sampson, Tyrrell, Washington, and Wayne.

1. **National goal.**—The 1940 national goal for potatoes is 3,100,000 to 3,300,000 acres.

2. **Farm allotments.**—A potato allotment will be established for each farm, in the above counties, for which the normal acreage of potatoes for market is determined to be 3 acres or more.

3. **Payment.**—The payment is **3 cents** per bushel of the normal yield of potatoes for the farm for each acre in the potato allotment.

4. **Deduction.**—On any farm, in the above counties, a deduction of **30 cents** per bushel of the normal yield of potatoes for the farm will be made for each acre planted to potatoes for market in excess of the larger of (a) the potato allotment or (b) 3 acres.

## F. PEANUTS

The commercial-peanut counties are: Beaufort, Bertie, Bladen, Brunswick, Chowan, Columbus, Edgecombe, Gates, Halifax, Hertford, Martin, Nash, New Hanover, Northampton, Onslow, Pasquotank, Pender, Perquimans, Pitt, Robeson, Tyrrell, Warren, Washington, and Wilson.

1. **National goal.**—The 1940 national goal for peanuts is 1,550,000 to 1,600,000 acres.

2. **Payment.**—The payment is **0.125 cent** per pound of the normal yield per acre of peanuts for the farm for each acre in the peanut allotment.

3. **Deduction.**—A deduction of **1.5 cents** per pound of the normal yield per acre of peanuts for the farm will be made for each acre of peanuts for market in excess of the peanut allotment.

4. **Peanuts for market** means all peanuts harvested from nuts on a farm on which peanuts are separated from the vines by mechanical means and from which the major portion of production is sold to persons not living on the farm.

## G. COMMERCIAL VEGETABLES

The commercial-vegetables counties are: Beaufort, Camden, Carteret, Chowan, Columbus, Craven, Currituck, Duplin, Gates, Hyde, New Hanover, Pamlico, Pasquotank, Pender, Perquimans, Pitt, Sampson, Washington, and Wayne.

1. **Farm allotments.**—A commercial-vegetable allotment will be determined by the county committee, with the assistance of other local committees, for each farm, in the above counties, on which the average acreage of land normally planted to commercial vegetables is 3 acres or more. The sum of the commercial-vegetable allotments determined for such farms in a county shall not exceed the sum of the average annual acreage of land planted to commercial vegetables on such farms in 1936 and 1937, except that fair and reasonable adjustments in such acreage may be made by the State committee, in accordance with instructions issued by the AAA, among commercial-vegetable counties in the State on the basis of shifts in commercial-vegetable production.

2. **Payment.**—The payment is **\$1.50** for each acre in the commercial-vegetable allotment determined for the farm.

3. **Deduction.**—In commercial-vegetable counties a deduction will be made at the rate of **\$20.00** for each acre of land planted to commercial vegetables on the farm in excess of the larger of (a) the commercial-vegetable allotment determined for the farm or (b) 3 acres.



4. **Commercial vegetables** means the acreage of annual vegetables or truck crops (including potatoes **not** in commercial-potato counties, sweetpotatoes other than for starch, tomatoes, sweet corn, cantaloupes and commercial bulbs and flowers, but excluding watermelons, peas for canning or freezing and sweet corn for canning) of which the larger portion of the production is sold to persons not living on the farm.

### SEC. III. SOIL-BUILDING GOALS, PAYMENTS AND PRACTICES

A. **National goal.**—The 1940 national soil-building goal is (1) the conservation of cropland not required in 1940 for the growing of soil-depleting crops, and (2) the carrying-out of soil-building practices that will conserve and improve soil fertility and prevent erosion.

B. **County goals.**—Insofar as practicable, county goals will be established for particular soil-building practices which are not routine farming practices and which are most needed in the county.

C. **Farm goals.**—The soil-building goal for any farm will be **1 unit** of applicable soil-building practices for each **\$1.50** computed for the farm under paragraph D below. The county committee will assist farmers in determining practices, other than routine farming practices, that are most needed to conserve and improve soil fertility and prevent erosion and which will tend to accomplish the goals, if any established for the county with respect to particular soil-building practices.

D. **Payment.**—For each farm the payment which may be earned in connection with soil-building practices is the sum of the amounts computed under 1, 2, and 3 of this paragraph D: *Provided*; That for any farm with respect to which the sum of the payments computed for special crops plus items 1, 2, and 3 is less than \$20, the amount computed under this paragraph D will be increased by the amount of the difference.

1. **70 cents** for each acre of cropland in excess of the sum of the acreages used in computing payments for wheat, tobacco, cotton, potatoes, and peanuts.

2. **\$2.00** for each acre of commercial orchards and perennial vegetables on the farm January 1, 1940.

3. **25 cents** for each acre of fenced, noncrop, open pasture land in excess of one-half of the number of acres of cropland, which is capable of maintaining during the normal pasture season at least 1 animal unit for each 5 acres.

E. In addition to the payment computed under paragraph D, of this Sec. III, a special payment of **\$30** may be earned by planting forest trees as provided in practice 16 below.

F. **Deduction.**—A deduction of \$1.50 will be made for each unit by which the soil-building goal is not reached.

G. **Soil-building practices.**—The soil-building practices listed below will count toward reaching the soil-building goal, to the extent indicated herein, when carried out in the period November 1, 1939 to October 31, 1940, in accordance with good farming practice and the provisions of this bulletin.

### APPLICATION OF PHOSPHATE AND POTASH

1. **16 percent superphosphate.**—Application of 300 pounds of 16 percent superphosphate, or its equivalent, (except in connection with soil-depleting crops) to, or in connection with the seeding of, green

manure crops in orchards, perennial or biennial legumes, perennial grasses, winter legumes, lespedeza, crotalaria, annual ryegrass, or permanent pasture—**one unit**.

2. **A. A. A. triple superphosphate.**—Application of 100 pounds of triple superphosphate furnished by the A. A. A. as a grant of aid (except in connection with soil-depleting crops) to, or in connection with the seeding of, green manure crops in orchards, perennial or biennial legumes, perennial grasses, winter legumes, lespedeza, crotalaria, annual ryegrass, or permanent pasture—**one unit**.

3. **Other phosphate materials.**—Application of 500 pounds of basic slag, rock phosphate, or colloidal phosphate (except in connection with soil-depleting crops) to, or in connection with the seeding of, perennial or biennial legumes, perennial grasses, winter legumes, lespedeza, crotalaria, annual ryegrass, or permanent pasture—**one unit**.

4. **Muriate of potash.**—Application of 150 pounds of 50 percent muriate of potash, or its equivalent (except in connection with soil-depleting crops), to, or in connection with the seeding of, perennial or biennial legumes, perennial grasses, winter legumes, lespedeza, crotalaria, annual ryegrass, or permanent pasture—**one unit**.

#### APPLICATION OF LIMING MATERIALS

5. **Ground limestone.**—Application of 1,500 pounds of ground limestone, or its equivalent, to farmland (except that applications of less than 1,000 pounds per acre on peanuts, flue-cured tobacco, or commercial vegetables will not be counted)—**one unit**.

NOTE: For the purpose of this practice, 100 pounds of ground oyster shell, 150 pounds of limestone screenings, 70 pounds of hydrated or burned lime will be considered to be equivalent to 100 pounds of ground limestone. Ground limestone of which 90 percent or more will pass through a 10-mesh sieve will be considered as ground limestone. Such material of which less than 90 percent will pass through a 10-mesh sieve will be considered as limestone screenings.

#### APPLICATION OF MULCHING MATERIAL

6. **Mulching.**—Application in orchards of 2 tons, air-dry weight, of straw or equivalent mulching material (excluding barnyard and stable manure)—**one unit**.

#### SEEDING LEGUMES AND GRASSES

7. Seeding adapted varieties of alfalfa—**one unit per acre**.

8. Seeding vetch, crimson clover, bur clover, or Austrian winter peas as winter cover crops—**one unit per acre**.

9. Seeding sericea, kudzu, approved red clover, alsike clover, sweet clover, whiteclover, bluegrass, orchard grass, annual ryegrass, Dallis grass, annual lespedeza, or a mixture of legumes or perennial grasses other than a mixture consisting solely of timothy and redbot—**one-half unit per acre**.

10. Seeding timothy, redbot, or a mixture consisting solely of timothy and redbot—**one-fourth unit per acre**.



## WINTER COVER AND GREEN MANURE CROPS

11. Crimson clover, Austrian winter peas, vetch, rye, winter oats, barley, wheat or mixtures of these crops, of which a good stand is used for winter cover and is plowed or disked under as green manure—**one unit per acre.**

12. Soybeans or rye, from which seed is not harvested by mechanical means, velvetbeans, cowpeas, crotalaria, or sweet clover in orchards, of which a good stand and a good growth is plowed or disked under as green manure or left on the land as a temporary mulch. (Summer legumes interplanted or grown in combination with soil-depleting crops and 1940 seedlings of sweet clover in orchards will **not** be counted under this practice 12)—**one unit per acre.**

13. Soybeans from which seed is not harvested by mechanical means, velvetbeans, cowpeas, or crotalaria, interplanted or grown in combination with soil-depleting crops, of which a good stand and a good growth is obtained and the forage is not harvested—**one-fourth unit per acre.**

## EROSION CONTROL

14. **Terracing.**—Construction of 200 feet of standard terraces for which proper outlets are provided—**one unit.**

15. **Contour stripcropping.**—With prior approval of the county committee, contour stripcropping—**one-fourth unit per acre.**

## FORESTRY PRACTICES

16. **Planting forest trees** (including shrubs beneficial to wildlife or in protective plantings) provided such trees are protected from fire and grazing and cultivated in accordance with good tree culture and wildlife management as is recommended by the State committee and approved by the Regional Director—**five units per acre.**

17. **Improving stand of forest trees.**—With prior approval of the county committee, improving a stand of forest trees under such system of farm woodlot and wildlife management as is recommended by the State committee and approved by the Regional Director—**two units per acre.**

## HOME GARDEN

18. Growing a home garden for a landlord, tenant, or sharecropper family on a farm in accordance with specifications issued by the State committee with the approval of the Regional Director—**one unit.**

Practices carried out with labor, seed, trees, and materials furnished entirely by any State or Federal agency other than the A. A. A. will not count toward reaching the soil-building goal. If a part of the labor, seed, trees, or other materials used in carrying out any practice is furnished by a State or Federal agency other than the A. A. A. and such part represents one-half or more of the total cost of carrying out the practice, the practice will not count toward reaching the soil-building goal; if such part represents less than half of the total cost of carrying out the practice, one-half of the practice will count toward reaching the soil-building goal. Labor, seed, trees, and materials furnished a State, a political subdivision of a State, or an agency thereof by an agency of the same State will not

be deemed to have been furnished by a State agency within the meaning of this paragraph.

Trees purchased from a Clark-McNary Cooperative State Nursery will not be deemed to be furnished in whole or in part by a State or Federal agency.

#### SEC. IV. DIVISION OF PAYMENTS AND DEDUCTIONS

**A. Payments and deductions for acreage allotments.**—1. The net payment or net deduction computed for any farm for special crops shall be divided among the landlords, tenants, and sharecroppers in the same proportion (as indicated by their acreage shares) that such persons are entitled at harvest time to share in the proceeds (other than a fixed commodity payment) of such crops grown on the farm in 1940: *Provided*, That if any such crop(s) is not grown on the farm in 1940 or the acreage of such crop(s) is substantially reduced by flood, hail, drought, insects, or plant-bed diseases, the net payment or net deduction computed for such crop(s) shall be divided among the landlords, tenants, and sharecroppers in the proportion that the county committee determines such persons would have shared in the proceeds of such crop(s) if the entire acreage in the acreage allotment for such crop(s) had been planted and harvested in 1940: *Provided further*, That if for any reason the total acreage of cotton on the farm in 1940 is less than 80 percent of the cotton acreage allotment for the farm and the acreage of cotton which is or would have been grown thereon by any tenant or sharecropper in 1940 is not substantially proportionate to the acreage of cotton which such tenant or sharecropper would normally grow thereon, and all the persons who are or would have been entitled to receive a share of the proceeds of cotton agree, as shown by their signatures on the application for payment or a separate statement, the net payment or net deduction computed for cotton for the farm shall be divided among the landlords, tenants, and sharecroppers in the proportion that the county committee determines such persons would have been entitled to share in the proceeds of the cotton crop if the entire acreage in the cotton acreage allotment had been planted and harvested in 1940, but in no event shall the acreage share so determined for any person be less than such person's acreage share of the acreage planted to cotton on the farm in 1940.

2. The deduction for exceeding the total soil-depleting allotment shall be regarded as a pro-rata deduction with respect to the payments computed in connection with special crops.

**B. Soil-building practice payments.**—The amount of net payment earned in connection with soil-building practices on the farm shall be paid to the landlord, tenant, or sharecropper who carried out the practices. If the county committee determines that more than one such person contributed to the carrying-out of soil-building practices in 1940, the payment shall be divided in the proportion that the units contributed by each person bear to the total units contributed by all persons. All persons contributing to practices carried out on a particular acreage shall be deemed to have contributed equally to the units, unless such persons prove to the county committee that their contributions were not in equal proportion, in which event such units shall be divided in the proportion which the county committee determines each person contributed thereto.

**C. Proration of net deductions.**—If a net payment is computed for a farm as a whole, but a net deduction is computed for one or more of the persons with respect to such farms, such net deductions shall be prorated among the persons for whom a net payment is computed in the proportion that the net payment for each such person bears to the sum of all such net payments.

If a net deduction is computed for any farm as a whole, no payment will be made with respect to such farm and the amount of such net deduction shall be prorated among the persons on the farm in the proportion that the net deduction computed for any person bears to the sum of the net deductions computed for all persons on the farm.

SEC. V. GENERAL PROVISIONS RELATING TO PAYMENTS AND DEDUCTIONS

**A. Increase in small payments.**—The total payment computed under sections II, III, and IV for any person on any farm shall be increased as follows:

1. Any payment amounting to 71 cents or less shall be increased to \$1;
2. Any payment amounting to more than 71 cents, but less than \$1, shall be increased by 40 percent;
3. Any payment amounting to \$1 or more shall be increased in accordance with the following schedule:

| Amount of payment  | Increase in payment | Amount of payment    | Increase in payment |
|--------------------|---------------------|----------------------|---------------------|
| \$1.00 to \$1.99   | \$0. 40             | \$32.00 to \$32.99   | \$10. 40            |
| \$2.00 to \$2.99   | . 80                | \$33.00 to \$33.99   | 10. 60              |
| \$3.00 to \$3.99   | 1. 20               | \$34.00 to \$34.99   | 10. 80              |
| \$4.00 to \$4.99   | 1. 60               | \$35.00 to \$35.99   | 11. 00              |
| \$5.00 to \$5.99   | 2. 00               | \$36.00 to \$36.99   | 11. 20              |
| \$6.00 to \$6.99   | 2. 40               | \$37.00 to \$37.99   | 11. 40              |
| \$7.00 to \$7.99   | 2. 80               | \$38.00 to \$38.99   | 11. 60              |
| \$8.00 to \$8.99   | 3. 20               | \$39.00 to \$39.99   | 11. 80              |
| \$9.00 to \$9.99   | 3. 60               | \$40.00 to \$40.99   | 12. 00              |
| \$10.00 to \$10.99 | 4. 00               | \$41.00 to \$41.99   | 12. 10              |
| \$11.00 to \$11.99 | 4. 40               | \$42.00 to \$42.99   | 12. 20              |
| \$12.00 to \$12.99 | 4. 80               | \$43.00 to \$43.99   | 12. 30              |
| \$13.00 to \$13.99 | 5. 20               | \$44.00 to \$44.99   | 12. 40              |
| \$14.00 to \$14.99 | 5. 60               | \$45.00 to \$45.99   | 12. 50              |
| \$15.00 to \$15.99 | 6. 00               | \$46.00 to \$46.99   | 12. 60              |
| \$16.00 to \$16.99 | 6. 40               | \$47.00 to \$47.99   | 12. 70              |
| \$17.00 to \$17.99 | 6. 80               | \$48.00 to \$48.99   | 12. 80              |
| \$18.00 to \$18.99 | 7. 20               | \$49.00 to \$49.99   | 12. 90              |
| \$19.00 to \$19.99 | 7. 60               | \$50.00 to \$50.99   | 13. 00              |
| \$20.00 to \$20.99 | 8. 00               | \$51.00 to \$51.99   | 13. 10              |
| \$21.00 to \$21.99 | 8. 20               | \$52.00 to \$52.99   | 13. 20              |
| \$22.00 to \$22.99 | 8. 40               | \$53.00 to \$53.99   | 13. 30              |
| \$23.00 to \$23.99 | 8. 60               | \$54.00 to \$54.99   | 13. 40              |
| \$24.00 to \$24.99 | 8. 80               | \$55.00 to \$55.99   | 13. 50              |
| \$25.00 to \$25.99 | 9. 00               | \$56.00 to \$56.99   | 13. 60              |
| \$26.00 to \$26.99 | 9. 20               | \$57.00 to \$57.99   | 13. 70              |
| \$27.00 to \$27.99 | 9. 40               | \$58.00 to \$58.99   | 13. 80              |
| \$28.00 to \$28.99 | 9. 60               | \$59.00 to \$59.99   | 13. 90              |
| \$29.00 to \$29.99 | 9. 80               | \$60.00 to \$185.99  | 14. 00              |
| \$30.00 to \$30.99 | 10. 00              | \$186.00 to \$199.99 | (1)                 |
| \$31.00 to \$31.99 | 10. 20              | \$200.00 and over    | (2)                 |

<sup>1</sup>Increase to \$200.00.

<sup>2</sup>No increase.



**B. Payments limited to \$10,000.**—The total of all payments made under the 1940 program pursuant to the provisions of Section 8 of the Soil Conservation and Domestic Allotment Act to any individual, partnership, or estate with respect to farms located within a single State, shall not exceed the sum of \$10,000, prior to deduction for association expenses in the county or counties with respect to which the particular payment is made. The total of all payments made under the 1940 program pursuant to the provisions of Section 8 of the Soil Conservation and Domestic Allotment Act to any person other than an individual, partnership, or estate with respect to farms, ranching units, and turpentine places in the United States (including Alaska, Hawaii, and Puerto Rico) shall not exceed the sum of \$10,000, prior to deduction for association expenses in the county or counties with respect to which the particular payment is made.

All or any part of any payment which has been or otherwise would be made to any person under the 1940 program may be withheld or required to be returned if he has adopted or participated in adopting any scheme or device, including the dissolution, reorganization, revival, or formation of any corporation, partnership, estate, trust, or by any other means, which was designed to evade, or would have the effect of evading, the provisions of this section.

**C. Deductions incurred on other farms.**—1. If the deductions computed for any farm in a county exceed the payment computed for the farm, a landlord's or tenant's share of the amount by which the deduction exceeds the payments shall be deducted from the landlord's or tenant's share of the payment which would otherwise be made to him for performance on any other farms in the county.

2. If the deductions computed for a landlord or tenant for one or more farms in a county exceed the payments computed for such landlord or tenant on other farms in the county, the amount of such excess deduction shall be deducted from the payments computed for such landlord or tenant for performance on any other farms in the State if the State committee finds that the crops grown and practices adopted on the farm for which the net deductions are computed substantially offset the contribution to the program made on other farms.

**D. Deduction for association expenses.**—There shall be deducted pro rata from the payments for any farm all or such part as the Secretary may prescribe of the estimated administrative expenses of the county agricultural conservation association in the county in which the farm is located.

**E. Payments restricted to purposes of program.**—All or any part of any payment which otherwise would be made to any person under the 1940 program may be withheld, or required to be returned—

1. If he has adopted any practice which the Secretary determines tends to defeat any of the purposes of the 1940 or previous agricultural conservation programs;

2. If, by means of any corporation, partnership, estate, trust, or any other device, or in any manner whatsoever, he has offset, or has participated in offsetting, in whole or in part, the performance for which the payment is otherwise authorized; or

3. If, with respect to forest land or woodland owned or controlled by him, he willfully burns over or allows to be burned over his woodland or any material portion thereof (failure to attempt to suppress any such woods fire

will be considered as intentional burning), or if he clear-cuts or allows to be clear-cut his present stand of timber below a minimum diameter on the stump of approximately 10 inches for coniferous species, and approximately 14 inches for hardwood species, except (a) where clear-cutting of undesirable species is followed by planting of forest trees of desirable species, (b) where the clearing is for needed cropland, or (c) other special cases approved by the county committee in accordance with instructions issued by the State committee. This provision will not prohibit cutting a limited number of selected trees of smaller size in places where the stand is dense.

No payments except those in connection with soil-building practices will be computed for any farm which is not being operated in 1940.

**F. Payment made without regard to claims.**—Any payment or share of payment shall be computed and made without regard to questions of title under State law, without deduction of claims for advances (except as provided in subsection H of this section and indebtedness to the United States subject to set-off by order of the Secretary) and without regard to any claim or lien against any crop, or proceeds thereof, in favor of the owner or any other creditor.

**G. Changes in leasing and cropping agreements, reduction in number of tenants, and other devices.**—If on any farm in 1940 any change of the arrangements which existed on the farm in 1939 is made between the landlord or operator and the tenants or sharecroppers that would cause a greater proportion of the payments to be made to the landlord or operator under the 1940 program than would have been made to him under the 1939 program, payments to the landlord or operator under the 1940 program shall not be greater than the amount that would have been paid to him if the arrangements had not been changed, if the county committee certifies that the change is not justified and disapproves the change.

If on any farm the number of sharecroppers or share tenants in 1940 is less than the average number on the farm during the years 1937 to 1939, inclusive, and the reduction would increase the payments that would otherwise be made to the landlord or operator, the payments to him shall not be greater than the amount that would otherwise be made, if the county committee certifies that the reduction is not justified and disapproves the reduction.

If the State committee finds that any person by means of agreement, coercion, fraud, misrepresentation, or any other scheme or device has sought to deprive any other person of any payment under any agricultural conservation program to which the other person would normally be entitled, the Secretary may withhold in whole or in part from the person participating in or employing such a scheme or device, or require the person to refund in whole or in part, the amount of any payment which has been or would otherwise be made to the person under the 1940 program.

**H. Assignments.**—Any person who may be entitled to any payment in connection with the 1940 program may assign his interest in such payment as security for cash loaned or advances made for the purpose of financing the making of a crop in 1940. No assignment will be recognized unless it is made in writing on Form ACP-69 in accordance with instructions (ACP-70) issued by the A. A. A. and unless such assignment is entitled to priority, as determined under instructions issued by the A. A. A. governing recording of such assignments.



Nothing contained in this section shall be construed to give an assignee a right to any payment other than that to which the farmer is entitled. Neither the Secretary nor any disbursing agent shall be subject to any suit or liability if payment is made to the farmer without regard to the existence of an assignment.

**I. Excess cotton acreage.**—Any person who makes application for payment with respect to any farm located in a county in which cotton is planted in 1940 shall file with such application a statement that he has not knowingly planted or caused to be planted during 1940 cotton on land in any farm in which he has an interest in excess of the cotton acreage allotment established for the farm for 1940, and that cotton was not planted in excess of such allotment by his authority or with his consent.

Any person who knowingly plants cotton on his farm in 1940 on acreage in excess of the cotton acreage allotment established for the farm for 1940 shall not be eligible for any payment under the provisions of the 1940 program. Any person having an interest in the cotton crop on a farm on which cotton is planted in 1940 on acreage in excess of the cotton acreage allotment for the farm for 1940 shall be presumed to have knowingly planted cotton on his farm on acreage in excess of such cotton acreage allotment if notice of the farm allotment is mailed to him prior to the completion of the planting of cotton on the farm, unless the farmer establishes the fact that the excess acreage was planted to cotton due to his lack of knowledge of the number of acres in the tract(s) planted to cotton. Such notice, if mailed to the operator of the farm, shall be deemed to be notice to all persons sharing in the production of cotton on the farm in 1940.

**J. Use of soil-conserving crops for market.**—In counties designated by the Administrator as counties not in substantial compliance with the provisions of the 1940 national program bulletin regarding the use of soil-conserving crops for market, payment will not be made with respect to any farm for which a special soil-depleting allotment is established unless (1) the number of dairy cows on the farm does not exceed the normal number by more than 2, or (2) there is an acreage of cropland not devoted to soil-depleting crops or to the commercial production of soil-conserving crops in 1940 equal to the amount by which the usual or normal acreage of soil-depleting crops exceeds the larger of (a) the total soil-depleting allotment for the farm or (b) the acreage on the farm classified as soil-depleting in 1940, or (3) none of the soil-conserving crops grown on land normally used for soil-depleting crops is used for market other than through the disposition of dairy livestock for slaughter or through the disposition of less than 10 percent of the milk or milk products produced on the farm.

#### SEC. VI. MATERIALS FURNISHED BY A. A. A. TO CARRY OUT SOIL-BUILDING PRACTICES

Wherever it is found practicable, limestone, superphosphate, trees, seeds, and other farming materials, upon request of the producer, may be furnished by the Agricultural Adjustment Administration as grants of aid to be used in carrying out approved soil-building practices which shall be counted toward meeting the soil-building goal for

the farm. Wherever such materials are furnished, a deduction from the payment for the farm shall be made in the amount of the approximate average cost of such material to the Agricultural Adjustment Administration in any county, State or other area. The rate of such deduction for each State, county or other area shall be established by the Regional Director. Such deduction shall be applied first to the payment computed for the person to whom such materials are furnished, and the balance, if any, of such deductions shall be prorated among the payments to other persons sharing in the payment with respect to the farm for which such materials were obtained or on which they were used.

Material shall only be furnished pursuant to the producer's request and agreement upon a form prescribed by the Agricultural Adjustment Administration. Such agreement shall provide that (1) in the event the amount of deduction for materials exceeds the amount of the payment with respect to the farm, the amount of such difference shall be paid by the producer to the Secretary; (2) if the producer uses the materials in a manner which is not in substantial accord with the purposes for which such materials are furnished, the deduction with respect to the materials misused shall be twice the regular rate of deduction in order to compensate the Government for damages because of such misuse; and (3) the finding of the county committee that the materials have been used in a manner which is not in substantial accord with the purposes for which materials are furnished, and as to the amount of the material so misused, shall be final when approved by the State committee, subject to the right of appeal.

#### SEC. VII. APPLICATION FOR PAYMENT

**A. Persons eligible to file applications.**—An application for payment for a farm may be made by any person who, under the provisions of Section IV, shares in the payment which may be computed for any farm and (1) who at the time of harvest is entitled to share in any of the crops grown on the farm under a lease or operating agreement, or (2) who is owner or operator of such farm and participated thereon in 1940 in carrying out approved soil-building practices.

**B. Time and manner of filing application and information required.**—Payment will be made only upon application submitted through the county office on or before a date fixed by the Regional Director, but not later than March 31, 1941. The Secretary reserves the right (1) to withhold payment from any person who fails to file any form or furnish any information required on any farm which such person is operating or renting to another person for a share of the crops grown thereon, and (2) to refuse to accept any application for payment if such application or any other form or information required is not submitted to the county office within the time fixed by the Regional Director. At least 2 weeks' notice to the public shall be given of the expiration of a time limit for filing prescribed forms and any time limit fixed shall be such as affords a full and fair opportunity to those eligible to file the form within the period prescribed. Such notice shall be given by mailing the same to the

office of each county committee, and making copies of the same available to the press.

**C. Application for other farms.**—If a person has the right to receive all or a portion of the crops or proceeds therefrom, produced on more than one farm in a county and makes application for payment on one of the farms, such person must make application for payment on all such farms which he operates or rents to other persons. Upon request of the State committee, any person shall file with the committee such information as it may request regarding any other farm in the State from which he has the right to receive all or a portion of the crops or the proceeds thereof.

#### SEC. VIII. APPEALS

Any person may, within 15 days after notice is forwarded to or made available to him request the county committee in writing to reconsider its recommendation or determination regarding any of the following matters affecting any farm in which he has an interest: (a) Eligibility to file an application for payment; (b) any allotment, usual acreage, yield, measurement, or goal; (c) the division of payment; or (d) any other matter affecting the right to or the amount of his payment with respect to the farm. The county committee shall notify such person in writing of its decision within 15 days after receipt of the written request for reconsideration. If such person is not satisfied with the decision of the county committee, he may, within 15 days after the decision is forwarded to or made available to him, appeal in writing to the State committee. The State committee shall notify the person in writing of its decision within 30 days after the receipt of the appeal. If such person is not satisfied with the decision of the State committee, he may, within 15 days after the decision is forwarded to or made available to him, request the Regional Director to review the decision of the State committee.

Written notice of any decision rendered under this section by the county or State committee shall also be issued to each person known to it who, as landlord, tenant, or sharecropper having an interest in the operation of the farm, may be adversely affected by such decision. Only a person who shows that he is adversely affected by the outcome of any request for reconsideration or appeal may appeal the matter further, but any person, who as landlord, tenant, or sharecropper having an interest in the operation of the farm, would be affected by the decision to be made on any reconsideration by the county committee or subsequent appeal shall be given a full and fair hearing if he appears when the hearing thereon is held.

#### SEC. IX. DEFINITIONS

For the purposes of the 1940 program—

**Secretary** means the Secretary of Agriculture of the United States.

**Administrator** means the Administrator of the Agricultural Adjustment Administration.

**Regional Director** means the Director of the East Central Division of the Agricultural Adjustment Administration.



**State committee** means the group of persons designated to assist in the administration of the agricultural conservation program in North Carolina.

**County committee** means the group of persons elected within any county to assist in the administration of the agricultural conservation program in such county.

**East Central Region** means the area included in the States of Delaware, Kentucky, Maryland, North Carolina, Tennessee, Virginia, and West Virginia.

**Person** means an individual, partnership, association, corporation, estate, or trust, and wherever applicable, a State, a political subdivision of a State, or any agency thereof.

**Landlord or owner** means a person who owns land and rents such land to another person or operates such land.

**Sharecropper** means a person who works a farm in whole or in part under the general supervision of the operator and is entitled to receive for his labor a share of a crop produced thereon or the proceeds thereof.

**Tenant** means a person other than a sharecropper who rents land from another person (for cash, a fixed commodity payment, or a share of the proceeds of the crops) and is entitled under a written or oral lease or agreement to receive all or a share of the proceeds of the crops produced thereon.

**Cropland** means farm land which in 1939 was tilled or was in regular rotation, excluding any land in commercial orchards or perennial vegetables.

**Noncrop, open pasture land** means pasture land (other than rotation pasture land) on which the predominant growth is forage suitable for grazing and on which the number or grouping of any trees or shrubs is such that the land could not fairly be considered as woodland.

**Commercial orchards and perennial vegetables** means the acreage in planted or cultivated fruit trees, nut trees, vineyards, or bush fruits or perennial vegetables on the farm on January 1, 1940 (excluding non-bearing orchards and vineyards), from which the major part of the production is normally sold.

**Special crop acreage allotment** means a cotton, wheat, tobacco, peanut, potato, or commercial vegetable acreage allotment.

**Animal unit** means 1 cow, 1 horse, 5 sheep, 5 goats, 2 calves, or 2 colts, or the equivalent thereof.

**Farm** means all adjacent or nearby farm land under the same ownership which is operated by one person, including also:

1. Any other adjacent or nearby farm land which the county committee determines is operated by the same person as a part of the same unit with respect to the rotation of crops and with workstock, farm machinery, and labor substantially separate from that for any other land, and

2. Any field-rented tract (whether operated by the same or another person) which, together with any other land included in the farm, constitutes a unit with respect to the rotation of crops.

A farm shall be regarded as located in the county or administrative area, as the case may be, in which the principal dwelling is situated, or if there is no dwelling thereon, it shall be regarded as located in the county or administrative area, as the case may be, in which the major portion of the farm is located.

**Soil-depleting acreage** means the acreage of land devoted during the 1940 crop year to one or more of the following crops or uses (land on which a volunteer crop is harvested shall be classified as if the crop had been planted):

1. Corn planted for any purpose except sown corn used as a cover crop or green-manure crop and sweet corn or popcorn grown in a home garden for use on the farm.

2. Tobacco harvested for any purpose.

3. Cotton which reaches the stage of growth at which bolls are first formed.

4. Grain sorghums planted.

5. Peanuts harvested for nuts or dug for hay.

6. Broomcorn planted for any purpose.

7. Potatoes planted for any purpose except when grown in a home garden for use on the farm.

8. Annual truck and vegetable crops planted for any purpose, except when grown in a home garden for use on the farm.

9. Strawberries harvested for any purpose except when grown in a home garden for use on the farm.

10. Commercial bulbs and flowers, including cultivated sunflowers, harvested for any purpose.

11. Peas planted for canning, freezing, or dried peas, except when grown in a home garden for use on the farm.

12. Wheat (on a wheat-allotment farm) planted (or regarded as planted) for any purpose.

13. Wheat (on a non-wheat allotment farm), oats, barley, rye, flax, or mixtures of these crops harvested for grain.

14. Wheat (on a non-wheat allotment farm), oats, barley, flax, rye, or mixtures of these crops harvested for hay except (1) when such crops are used as nurse crops for legumes or perennial grasses, which are seeded in a workmanlike manner and the nurse crop is cut green for hay, or (2) when such crops are grown in a mixture containing at least 25 percent by weight of winter legumes.

15. Buckwheat, sweet sorghum, Sudan grass, or millet, harvested for any purpose.